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AGENDA ITEM 6a

TO: MEMBERS OF THE INVESTMENT COMMITTEE

- I. SUBJECT:** Program Review
- II. PROGRAM:** Alternative Investment Management
- III. RECOMMENDATION:** Information
- IV. ANALYSIS:**

This agenda item provides an annual review of the Alternative Investment Management (AIM) Program including a summary of performance, 2010 accomplishments, portfolio exposure characteristics, and 2011 priorities. Attached are the following supporting documents:

Attachment 1 – AIM Program Review
Attachment 2 – Pension Consulting Alliance (PCA) Opinion Letter

AIM staff and PCA will be available at the Investment Committee to answer any questions the Investment Committee may have.

V. STRATEGIC PLAN:

These initiatives address multiple CalPERS Strategic Plan Goals including:

- Goal I to exercise global leadership to ensure the sustainability of CalPERS pension and health benefit systems.
- Goal IX to achieve long-term, sustainable, risk adjusted returns.

VI. RESULTS/COSTS:

There are no additional costs associated with this item.

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